

CHAPTER NO. 780

HOUSE BILL NO. 3952

By Representative Briley

Substituted for: Senate Bill No. 2900

By Senator Woodson

AN ACT to amend Tennessee Code Annotated, Section 49-7-127, relative to group purchasing programs for postsecondary and higher education.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-7-127, is amended by deleting subsection (b)(1) and substituting instead the following:

(1)

(A) Any contract with a group purchasing program is not an exclusive contract, permits purchasing from other lawful sources and by other lawful means, and does not require payment or compensation by the governing board or institution to the group purchasing program.

(B) For purposes of this section, membership in and the payment of reasonable dues to a not-for-profit buying cooperative shall not be considered as a payment or compensation and shall not be construed as prohibiting an institution of higher education from making purchases of goods and services through a group purchasing program;

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 8, 2006


JIMMY RAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 24th day of May 2006


PHIL BREDESEN, GOVERNOR